

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

House Bill 2531

FISCAL
NOTE

2015 Carryover

(BY DELEGATE MORGAN)

[Introduced January 13, 2016; referred to the
Committee on Small Business, Entrepreneurship and
Economic Development then Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated §5B-2I-1, §5B-2I-2, §5B-2I-3, §5B-2I-4 and §5B-2I-5, all relating to creating
 3 the Good Jobs Internet Reporting Act; requiring government agencies to report job
 4 creation and retention information related to development assistance programs to the
 5 Department of Revenue; requiring tracking numbers for all development assistance
 6 projects and tax credits; requiring the Tax Department to report development assistance
 7 tax credit information to the Department of Revenue; requiring tax levying bodies to report
 8 tax assessment valuation determination information to the Department of Revenue;
 9 requiring the Department of Revenue to compile and report all information required under
 10 this article to the Legislature; and requiring the Department of Revenue to publish reports
 11 on the internet.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 article, designated §5B-2I-1, §5B-2I-2, §5B-2I-3, §5B-2I-4 and §5B-2I-5, all to read as follows:

ARTICLE 2I. THE GOOD JOBS INTERNET REPORTING ACT.

§5B-2I-1. Short title.

1 This article may be cited as the "Good Jobs Internet Reporting Act."

§5B-2I-2. Definitions.

1 (1) "Department" means, unless otherwise noted, the Department of Revenue or any
 2 successor agency.

3 (2) "Development assistance" means any tax credit administered by the Tax Department
 4 that has a job creation or retention qualification or job reporting requirement, or any direct
 5 economic development loan or grant administered by the West Virginia Economic Development
 6 Authority, the Development Office or the West Virginia Infrastructure and Jobs Development

7 Council.

8 (3) "Full-time, permanent job" means the same as that term is defined in the statute
9 authorizing the development assistance or in the legislative rule promulgated pursuant to the
10 statute. On and after the effective date of this article, if there is no definition in the statute or
11 legislative rule, then "full-time, permanent job" means a job in which the new employee works for
12 the recipient at a rate of at least thirty-five hours per week.

13 (4) "Granting body" means any agency, board, office, public benefit corporation or
14 authority of West Virginia that provides or administers development assistance, and any
15 successor agency.

16 (5) "New employee" means the same as that term is defined in the statute authorizing the
17 development assistance or in the legislative rule promulgated pursuant to the statute. On and
18 after the effective date of this article, if there is no definition in the statute or legislative rule, then
19 "new employee" means a full-time, permanent employee who represents a net increase in the
20 number of the recipient's employees statewide. "New employee" includes an employee who
21 previously filled a new employee position with the recipient who was rehired or called back from
22 a layoff. The term "new employee" does not include any of the following:

23 (A) An employee of the recipient who performs a job that was previously performed by
24 another employee, if that job existed in this state for at least six months before hiring the
25 employee; or

26 (B) A child, grandchild, parent, or spouse, or spouse other than a spouse who is legally
27 separated from the individual, of any individual who is an employee of the recipient and who has
28 a direct or an indirect ownership interest of at least five percent in the profits, capital, or value of
29 the recipient.

30 (6) "Part-time job" means the same as that term is defined in the statute authorizing the

31 development assistance or in the legislative rule promulgated pursuant to the statute. On and
32 after the effective date of this article, if there is no definition in the statute or legislative rule, then
33 "part-time job" means a job in which the new employee works for the recipient at a rate of less
34 than thirty-five hours per week.

35 (7) "Recipient" means any business that receives economic development assistance. A
36 business is any corporate shareholders, limited liability company, partners, joint venture,
37 association, sole proprietorship, or other legally recognized entity.

38 (8) "Retained employee" means the same as that term is defined in the statute authorizing
39 the development assistance or in the legislative rule promulgated pursuant to the statute. On
40 and after the effective date of this article, if there is no definition in the statute or legislative rule,
41 then "retained employee" means any employee defined as having a full-time or full-time
42 equivalent job preserved at a specific project site that was threatened to be lost by a specific and
43 demonstrable threat.

44 (9) "Specific project site" means that distinct operational geographic location to which any
45 development assistance is applied.

46 (10) "Tax Department" means, for the purposes of this article, the West Virginia State Tax
47 Department in its role as the administrator of development assistance tax credits.

48 (11) "Tax assessment valuation determination" means a determination of the value of real
49 or personal property for tax assessment purposes, for an amount that is less than the fair market
50 value, made by an authorized tax levying body for purpose of providing development assistance,
51 including those determinations made pursuant to the provisions of chapter seven, article eleven-b
52 or chapter eleven, article six-e of this code.

53 (12) "Temporary job" means the same as that term is defined in the statute authorizing the
54 development assistance or in the legislative rule promulgated pursuant to the statute. On and

55 after the effective date of this article, if there is no definition in the statute or legislative rule, then
 56 "temporary job" means a job in which the new employee is hired for a specific duration of time or
 57 season.

58 (13) "Value of assistance" means the aggregate monetary amount of any form of
 59 development assistance.

§5B-2I-3. Tracking numbers.

1 (a) On and after the effective date of this article, the department shall issue a tracking
 2 number for each application for development assistance submitted to a granting body, that is
 3 specific to both the granting agency and to each application, and for each development assistance
 4 tax credit administered by the State Tax Department, that is specific to both the State Tax
 5 Department and to each tax return.

6 (b) On and after the effective date of this article, each granting body shall obtain a tracking
 7 number from the department for each application for development assistance, before the
 8 development assistance is granted or administered.

9 (c) On and after the effective date of this article, the State Tax Department shall obtain a
 10 tracking number from the department for each tax return for which a development assistance tax
 11 credit is claimed, before the tax credit is granted or administered.

§5B-2I-4. Reports to the Department of Revenue by granting bodies, the State Tax
Department and tax levying bodies.

1 (a) On and after July 1, 2015, and on the same date each year thereafter, each granting
 2 body shall report to the department the following information, in a form and format prescribed by
 3 the department, for each application for development assistance that it granted or administered
 4 during the previous fiscal year:

5 (1) An application tracking number that is specific to both the granting agency and to each

6 application;

7 (2) The office mailing addresses, office telephone number, and the name of the chief
8 officer of the granting body;

9 (3) The office mailing address, telephone number, six-digit North American Industry
10 Classification number or successor number, and the name of the president or chief officer of the
11 applicant or authorized designee for the specific project site for which development assistance
12 was requested;

13 (4) The name, street and mailing address, and phone number of the chief officer of the
14 applicant's corporate parent;

15 (5) The street address of the specific project site;

16 (6) The applicant's total number of employees at the specific project site on the date that
17 the application was submitted to the state granting body and on the last date of the reporting
18 period, including the number of full-time, permanent jobs, the number of part-time jobs, and the
19 number of temporary jobs;

20 (7) The type of development assistance and value of assistance requested;

21 (8) The number of jobs created or retained or both created and retained by the applicant
22 as a result of the development assistance, including the number of full-time, permanent jobs, the
23 number of part-time jobs, and the number of temporary jobs;

24 (9) The average hourly wage paid to all current and new employees at the specific project
25 site, broken down by full-time, part-time and temporary positions, job classification or occupation,
26 and further broken down by wage groups as follows: \$8 or less an hour, \$8.01 to \$9 an hour,
27 \$9.01 to \$10 an hour, \$10.01 to \$11 an hour, \$11.01 to \$12 an hour, \$12.01 to \$13 an hour,
28 \$13.01 to \$14 an hour, and \$14.01 to \$15 an hour, \$15.01 to \$16 an hour, \$17.01 to \$18 an hour,
29 \$18.01 to \$19 an hour, \$19.01 to \$20 an hour, \$20.01 to \$21 and hour, \$21.01 to \$22 and hour,

30 \$22.01 to \$23 an hour, \$23.01 to \$24 an hour, \$24.01 to \$25 and hour, \$25.01 to \$30 an hour,
31 \$30.01 to \$40 an hour, \$40.01 to \$50 an hour and \$50.01 or more per hour;

32 (10) The type and amount of health care coverage provided by the applicant to the
33 employees, including any costs to be borne by the employees;

34 (11) A detailed list of the occupation or job classifications of new employees or retained
35 employees, a schedule of starting dates of the new hires, and total payroll created as a result of
36 the development assistance;

37 (12) A statement as to whether the development assistance reduced employment at any
38 other site controlled by the applicant or its corporate parent, within or outside of the state, resulting
39 from automation, merger, acquisition, corporate restructuring or other business activity.

40 (13) The total number of individuals employed in the state by the applicant's corporate
41 parent, and all its subsidiaries, as of December 31 of the prior fiscal year, broken down by full-time,
42 part-time and temporary positions;

43 (14) A list of all other forms of development assistance that the applicant has requested
44 or received for the specific project site and the name of each state granting body from which that
45 development assistance was requested or received;

46 (15) A list of all other development assistance that the applicant has requested or received
47 at all locations in the state and the name of each state granting body from which that development
48 assistance was requested or received; and

49 (16) A certification by the chief officer of the applicant, or his or her authorized designee,
50 that the information contained in the application submitted to the granting body contains no known
51 misrepresentation of material facts upon which eligibility for development assistance is based.

52 (b) On and after July 1, 2015, and on the same date each year thereafter, the Tax
53 Department shall report to the department the following information, in a form and format

54 prescribed by the department, for each development assistance tax credit that it granted or
55 administered during the previous tax year:

56 (1) The aggregate amount of tax credit resulting from each type of development assistance
57 authorized in this code, broken down by categories as distinguished by the six-digit North
58 American Industry Classification number; and

59 (2) The name of each corporate taxpayer that claimed any tax credit under subdivision (1)
60 of this section of any value equal to or greater than \$5,000, together with the dollar amount
61 received by each such corporation.

62 (c) In addition to the reporting requirements set forth in chapter seven, article eleven-b of
63 this code, on and after July 1, 2015, and on the same date each year thereafter, each tax levying
64 body shall report to the department the following information, in a form and format prescribed by
65 the department, for each tax assessment valuation determination of real or personal property for
66 an amount less than the fair market value that it made for the purpose of development assistance
67 during the previous tax year:

68 (1) The name of the property owner;

69 (2) The address of the property;

70 (3) The start and end dates of the tax assessment valuation determination;

71 (4) Each tax abatement, reduction and exemption for the property; and

72 (5) The amount of property tax not paid as a result of the reduction or abatement.

§5B-2I-5. Reports to the Legislature; posting reports on Internet.

1 (a) On and after July 1, 2015, and on the same date each year thereafter, the department
2 shall annually compile and publish all of the data contained in the reports required under section
3 four of this article, in both written and electronic form, and shall file with the Legislature an annual
4 report, in both written and electronic form, that contains the information from each report it

5 received in the preceding calendar year.

6 (b) The report shall contain the specific data on each recipient separately, the data
7 aggregated by categories as distinguished by the six-digit North American Industry Classification
8 number, and as a whole amount as a percentage of the state budget.

9 (c) The department shall publish all reports it receives and its annual report on a website
10 which employs advanced search options, including, but not limited to, the ability to search by
11 types of assistance programs, assistance amounts, state departments, number of new employees
12 hired, and geographic regions. The website should further employ useful data analysis tools
13 such as charts and tables, downloadable spreadsheets, interactive applications, and other useful
14 tools and features to assist the public in analyzing the data.

NOTE: The purpose of this bill is to create the Good Jobs Internet Reporting Act. The bill requires the reporting of job creation and retention data, tax credit data and property tax redemptions, abatements and exemptions to the Department of Revenue. It requires the Department of Revenue to report the data to the Legislature and to publish the reports on the Internet.

This article is new; therefore, it has been completely underscored.